

OM HOLDINGS LIMITED

(ARBN 081 028 337)



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23 October 2008

Company Announcements Office
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

OM (MANGANESE) LTD AWARDS MINING CONTRACT

The Board of OM Holdings Limited ("OMH") is pleased to announce that its wholly-owned mining subsidiary, OM (Manganese) Ltd ("OMM"), has issued a Letter of Intent with respect to the award of an initial three-year mining contract for the Bootu Creek Manganese Mine in the Northern Territory to a wholly-owned subsidiary of NRW Holdings Limited ("NRW").

The scope of the contract comprises drill and blast, excavation, and haulage of ore and waste at the Bootu Creek open cut operation. The contract value is approximately A\$60 million per annum over the three year period. NRW is expected to mobilise the initial mining fleet to site during December 2008 and be fully operational by mid-January 2009.

NRW was selected through a competitive tender process managed by OMM over a four month period and independently facilitated by mining industry specialist consultants, AMC Consultants. NRW, which is a S&P/ ASX 200 listed company, is a leading provider of services to the resources sector.

The competitive tender process has resulted in unit mining costs consistent with those achieved at Bootu Creek over the past six months and anticipated within the life of mine planning framework.

NRW was also selected based upon having experienced and capable management and operating teams which have conducted safe and successful mining contracting businesses at a number of sites throughout Australia and overseas. NRW also has demonstrated its financial capability to perform.

The mining contract agreed includes performance incentives for NRW to achieve goals aligned with OMM's key performance indicators. These include but are not limited to delivering volumes of ore for blending consistent with the mine plan and implementing and maintaining strong safety and human resource management systems.

Furthermore, OMM has the capacity within the contract to implement increased production capability in conjunction with additional production from the rejects re-treatment plant, which is expected to be commissioned by 30 June 2009, as well as flexibility for further longer term production upgrades thereafter.

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Plans are presently being put in place for OMM to ensure an orderly transition with the existing mining contractor.

OMH and OMM are looking forward to working with NRW, which shares a safety-driven and high performance culture.

Yours faithfully
OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary

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BACKGROUND PROFILE OF OM HOLDINGS LIMITED

OMH listed on the ASX in March 1998 and has its foundations in metals trading – incorporating the sourcing and distribution of manganese ore products and subsequently in processing ores into ferro-manganese intermediate products. The OMH Group now operates commercial mining operations – leading to a fully integrated operation covering Australia, China and Singapore.

Through its wholly owned subsidiary, OM (Manganese) Ltd, OMH controls 100% of the Bootu Creek Manganese Mine (“Bootu Creek”) located 110 km north of Tennant Creek in the Northern Territory.

Bootu Creek has the capacity to produce up to 700,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 3,364 km².

Bootu Creek’s manganese product is exclusively marketed by the OMH Group’s own trading division with a proportion of the product consumed by the OMH Group’s wholly-owned Qinzhou smelter located in south west China.

Through its Singapore based commodity trading activities, OMH has established itself as a significant manganese supplier to the Chinese market. Product from Bootu Creek has strengthened OMH’s position in this market.

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